

MINUTES
Regular Meeting
City of San Juan Bautista
CITY COUNCIL
August 18, 2009

- 1. CALL TO ORDER:** The meeting was called to order by Mayor Edge at 6:00 p.m., at City Hall.

PLEDGE OF ALLEGIANCE: Local Boy Scout Troop 428 conducted a Color Guard presentation and led the Pledge of Allegiance.

ROLL CALL: The following members of the City Council were present: Mayor Rick Edge, Vice-Mayor Ed Laverone, Priscilla Hill, Andy Moore, and Maggie Bilich.

Also present were: Acting City Manager Steve Julian; City Attorney George Thacher; Deputy City Trish Paetz; City Project Manager Mark Davis.

- 2. APPROVAL OF THE AGENDA:** Councilmember Hill requested that agenda item 5.B., a resolution approving street closures, be moved from the consent agenda and considered as a separate agenda item to allow discussion.

Upon motion made by Councilmember Hill, seconded by Councilmember Laverone, and unanimously carried, the meeting agenda was approved as amended.

- 3. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA:** Cheryl Newfeld, a Ranger serving the San Juan Bautista State Historical Park, stated that she is representing State Park Superintendent Eddy Guaracha who was unable to attend this meeting.

She spoke about State budget reductions and closure of the park on Mondays. Ranger Newfeld explained that the park restrooms, located at Second and Washington Streets, have remained open on weekends to accommodate visitors; however, the park service is requesting assistance from the City and asked the Council to consider City contribution to water/sewer and maintenance costs. Ranger Newfeld provided an annual cost estimate of \$7,500 for restroom repairs and 2 hours per day maintenance.

Mayor Edge explained that development of the City's 2010 budget is still in process, and that when more information is available, the Acting City Manager will contact the Park Superintendent to discuss this matter.

Acting City Manager Julian stated that he will need clarification as to whether the estimated water and sewer costs account for the entire park or the restrooms only, and an agreement about when the State will resume covering any costs the City is able to assume during the State budget crisis.

Pat Riley stated that, although she lives in Hollister, she has a long established real estate business in the City of San Juan Bautista. Ms. Riley stated she would like to see the City be kept cleaner and asked if MCE's job description includes removal of

weeds at the entrance to the City. She requested that the City contact the owner of Windmill Market about improving maintenance of its landscaping. She suggested that everyone, including herself, could work together on improving the City's appearance.

Acting City Manager Julian reported that the City's code enforcement officer sent a letter to CalTrans about its cleaning and weed abatement responsibilities in various areas of Highway 156, especially near the entrance to the City. Mayor Edge commented on the need for CalTrans to repaint striping on portions of the highway. The Acting City Manager stated that he will follow up with CalTrans.

4. PRESENTATIONS, INFORMATIONAL ITEMS, AND REPORTS

- A. Water Infrastructure Project Report:** Project Manager Mark Davis gave a detailed progress report on the water infrastructure project. Mayor Edge advised of comments he received from community members about replacing the City's older fire hydrants and ensuring that the water pipes to the hydrants are adequately sized for water flow.
- B. Monthly Financial Statements:** Acting City Manager Julian answered local resident Jolene Cosio's questions related to revenues and expenditures.
- C. Code Enforcement Report:** There were no questions or comments.
- D. Library Report:** There were no questions or comments.
- E. Fire Chief's Report:** Captain Chris Finstad presented a report and responded to the Councilmembers questions.
- F. Sheriff's Report of Monthly Activity:** Acting City Manager Julian reported that he has had several positive and very productive meetings with the Sheriff's Department and County Administrative Officer, and he is looking forward to improved relations with the County and Sheriff's Department. During his comments, the Acting City Manager stated, in regard to the City's expenses for local law enforcement services, the City received its COPS apportionment in July.
- G. Public Works Report-MCE Corporation:** Councilmember Laverone commented on work recently performed on water interties to prevent disruption of service to the City's residents.
- H. Report on Charter Communications Cable Franchise Audit:** Deputy City Clerk Paetz reported on a meeting with the three city representative concerning cable maintenance issues, payment for Sue Buske's services, and settlement of the cable franchise matter.
- I. City Planner Activity Report:** –There were no questions or comments.
- J. Public Meetings and Committee Reports:** Councilmember Laverone reported on a Water Resources Association meeting he attended and advised

that the water softener rebate program is no longer available. He spoke about AMBAG reorganization to focus on transportation planning and housing. Councilmember Laverone suggested taking advantage of resources offered by AMBAG, such as aerial photos and use of its GIS system.

Mayor Edge stated that LAFCo has not met recently; there is nothing to report.

- 5. CONSENT ACTION ITEMS:** Local resident Bob Cosio stated that the June 16 meeting minutes do not accurately reflect his statement during public comment, i.e., that a person from MCE and a member of the City Council “turned him in” for not having a contractor license when he performed volunteer work at Abbe Park.

Upon motion made by Councilmember Hill, seconded by Councilmember Laverone, and unanimously carried, the following consent items A and C through F were approved:

A. Affidavit of Posting Agenda

C. Ordinance 2009-24 Rescinding Chapter 10-4 of the Municipal Code and Adoption of New Growth Management Ordinance as Chapter 10-4 of the Municipal Code

D. Waiver of Reading of Ordinances and Resolutions Beyond Title

E. Minutes of June 16, 2009 Regular City Council Meeting, with corrections

F. Minutes of July 21, 2009 Regular City Council Meeting, with correction of typographical errors

- 5.C. RESOLUTION APPROVING STREET CLOSURE:** The Council discussed reports that vendors are setting up and selling food prior to 3:00 p.m. on Sundays, thereby creating an impact on availability of church and restaurant parking. The Acting City Manager will look into the matter and report back to Council next month.

During consideration of the resolution approving street closure for a parade, it was pointed out that plans for the parade are to close Second and Washington Streets. Upon motion made by Mayor Edge, seconded by Councilmember Hill, and unanimously carried, this item was tabled to the end of the meeting.

6. ACTION ITEMS

- A. Public Hearing and Approval of Resolution 2009-25 Confirming Diagram and Assessment re: Valle Vista Landscape and Lighting Maintenance Assessment District No. 1 for Fiscal Year 2009-10:** Councilmember Laverone stated that a possible conflict of interest exists due to proximity of his residence to the Valle Vista subdivision. He excused himself from the meeting during the time period for the Council's consideration of this agenda item.

Mayor Edge opened a public hearing to receive comments on Resolution 2009-25, including a \$6.00 per parcel cost of living increase for the Valle Vista Landscape and Lighting Maintenance Assessment District No. 1. There were no comments made, and the hearing was closed.

Upon motion made by Councilmember Hill, seconded by Councilmember Moore, and carried 4-0 (Councilmember Laverone absent), the Resolution 2009-25 was approved as presented.

- B. Introduction of Ordinance Amending Section 11-09-500 of Municipal Code to Provide In-Lieu Fee for Condominium Conversions:** During discussion, it was noted that state law provides the right to convert condominiums to single family homes and allows local governments to certain conditions. The Acting City Manager stated that it is important to recognize that condominium conversion does not impact the City with increased demand for public services; condominium conversion does not increase the local population.

In response to Councilmember Laverone's comment that condominium conversion can be a means of increasing affordable housing for senior citizens, Acting City Manager Julian stated that the Council could impose a provision for low cost senior housing when there is a condominium conversion, or impose an in-lieu fee. City Attorney Thatcher commented that the in-lieu fee could be used to subsidize other low cost senior housing.

Mayor Edge opened a public hearing to receive comments. There were no comments, and the hearing was closed.

Upon motion made by Councilmember Hill, seconded by Councilmember Moore, and carried unanimously, the Council approved introduction of an ordinance amending the Municipal Code to provide an in-lieu fee for condominium conversions, as presented.

7. DISCUSSION ITEMS

- A. Proposal for One-Way Traffic on Franklin between Second and Third Streets:** Councilmember Hill shared a petition and letter, from the majority of property owners in the subject Franklin Street area, requesting that the City maintain two-way traffic designation for Franklin Street.

Franklin Street resident Georgana Gularte spoke about Franklin Street vehicle and pedestrian traffic. She requested formation of a study group and that she have the opportunity to participate in the group study.

Councilmember Laverone spoke about a study of Fourth Street traffic currently being conducted by a traffic engineer and suggested that Franklin Street be included in the study. The members of Council concurred and asked the Acting City Manager to contact the traffic engineer and request that his study include the Franklin Street one-way traffic proposal.

The Council deferred further consideration of this item until completion of the traffic study.

B. Selection of Recipient for Recognition by City on Philanthropy Day: By unanimous consensus of Council, this item was tabled until the next regular meeting.

C. Study Session for Fiscal Year 2010 Budget, Including: Review of City Contract with Bracewell Engineering, Proposed Implementation of Mills Act, and New Year Resolutions Proposed by San Juan Neighbors: During discussion, the Acting City Manager reported that he is anticipating a \$40,000 reduction in property tax revenue, a delay in receipt of highway tax revenue, as well as reductions in sales tax revenue.

Councilmember Hill commented that development of a new Housing Element will increase City budget expenditures by \$15,000 to \$18,000.

During review of the City's contract for services with Bracewell Engineering, Councilmember Laverone stated his concern about \$205,000 in costs associated with water and sewer service; that the City assumed payment for electricity charges for water and sewer in 2001; and his belief that Bracewell has provided the City with fair service for amounts charged.

Acting City Manager Julian pointed out that Bracewell's fees have not increased during the past 2 or 3 years, notwithstanding cost increases incurred by Bracewell. He noted that Bracewell charges include maintenance of the lift stations, blue valve water increases, replacement of equipment, and the water Reclamation project. The Acting City Manager noted that the City's diesel emergency generator no longer meets specifications prescribed in current standards.

Mayor Edge thanked Mr. Bracewell for attending the meeting and asked for his comments. Mr. Bracewell stated that he collaborated with City staff on revisions to his company's contract with the City; however, revised contracts were never presented to Council because of staffing changes in the City Manager position.

In response to the Mayor's inquiry about the current contract, Mr. Bracewell advised the Council of the need to include budget review provisions. He gave examples of budgetary items which need to be addressed, as follows: In a few years the City will be required to periodically incur costs of approximately \$200,000 for removal of sludge from the treatment plant; there are future costs for water softening and recycled water reclamation; impacts of demand and a market driven 20% increase in sewer plant operator compensation as a result of Hollister's new sewer treatment plant.

Local residents Jolene Cosio and Tod duBois spoke about a competitive bid process for services specified in the contract with Bracewell. Councilmember Laverone and Mr. Bracewell spoke about the complex issues and specialization associated with the type of service needed by the City, as well as costly

finances for violations of mandates related to public water and sewer service operations.

Acting City Manager Julian spoke about Bracewell's high level of competent service, knowledge of this City and running a small system, Bracewell's commitment to serving the City's needs, and the difficulties that small cities/entities face when they compete for service providers.

Mr. Bracewell spoke about upcoming changes in mandated requirements for water and sewer operations, as well as yet to be determined service needs and costs, and the advisability of the City postponing a bid process for two years.

With regard to implementing the Mills Act and New Years Resolutions of the San Juan Neighbors, Mayor Edge pointed out that the Council must defer considerations until 2010 budget information is available. He noted that the Council could direct the Planning Commission to research the Mills Act, and commented that the City of San Luis Obispo has very useful information on the Mills Act.

Resident Todd duBois stated that the San Juan Neighbors' resolutions are intended merely as a guideline for the City Council. Resident Rachel Ponce urged the Council not to wait two years to go out to bid for Bracewell's contract. She requested that the Council identify which resolutions of the San Juan Neighbors have associated costs.

The Council members agreed to initiate study of the City Manager contract in a closed session and to study the contract for City Planner services at the next regular meeting in October.

8. **FUTURE AGENDA:** The next regular meeting of the City Council is scheduled for September 15, 2009.

9. COMMENTS

- A. **City Council:** Councilmember Hill commented on burden of cleaning up after people who leave a mess when they go through others' garbage looking for any recyclables they can take.

Councilmember Hill reminded everyone of Neighborhood Watch meetings at City Hall on the fourth Thursday of the month at 7:30 p.m.; the next meeting is August 26.

- B. **City Manager:** No comment.

- C. **City Attorney:** No comment.

10. **CLOSED SESSION:** There were no public comments regarding closed session agenda items. At 8:20 p.m., the meeting was adjourned to closed session.

- 11. RECONVENE OPEN MEETING:** The open meeting was reconvened by Mayor Edge at 9:00 p.m.
- 12. REPORT ANY ACTIONS TAKEN IN CLOSED SESSION:** Attorney Thatcher reported that no action was taken by Council on any of the closed session items.
- 13. CONSIDER RESOLUTION APPROVING STREET CLOSURE:** There was extensive discussion about the Chicken Festival parade route and street closures. Whereupon a motion was made by Councilmember Laverone and seconded by Mayor Edge to delegate approval of the parade route to Acting City Manager Julian. The motion passed unanimously.
- 14. ADJOURN:** Upon motion made, seconded, and unanimously carried, the meeting was properly adjourned at 9:11 p.m.